

Spelthorne Borough Council

Local Plan & potential CIL review -

Viability Assessment

Appendix I:

Assumptions Summary

Spelthorne Borough Council - Appendix I - Local Plan & potential CIL review Viability Assessment - Sheet A: Residential Sample Typology Assumptions

Typology Scheme Appraised	Development Type	Site Type	Density dph	Net Land Area (ha)	Gross Land Area (ha)	CIL Zone Incl. Rate (£)	Build Duration (months) (assumes 6-month lead-in period)
9	Houses	GF/PDL	35	0.26	0.30	Zone 1 @ £128.31 Zone 2 @ £179.63 Zone 3 @ £205.29	6
10	Houses	GF/PDL	35	0.29	0.33	Zone 2 @ £51.32 Zone 3 @ £76.99	12
15	Flats	PDL	75	0.20	0.23	Zone 2 @ £51.32 Zone 3 @ £76.99	12
30	Flats Sheltered	PDL	125	0.24	0.28	Zone 2 @ £51.32 Zone 3 @ £76.99	18
50	Mixed	GF	40	1.25	1.44	Zone 2 @ £51.32 Zone 3 @ £76.99	18
50	Mixed	PDL	55	0.91	1.05	Zone 2 @ £51.32 Zone 3 @ £76.99	18
60	Flats Extra Care	PDL	125	0.48	0.55	Zone 2 @ £51.32 Zone 3 @ £76.99	24
100	Mixed	GF	40	2.50	3.25	Zone 2 @ £51.32 Zone 3 @ £76.99	24
100	Mixed	PDL	55	1.82	2.36	Zone 2 @ £51.32 Zone 3 @ £76.99	24
100	Flats	PDL	150	0.67	0.87	Zone 2 @ £51.32 Zone 3 @ £76.99	24
100	Flats (Mixed Use) + GF Retail	PDL	150	0.67	0.87	Zone 2 @ £51.32 Zone 3 @ £76.99	24
Notes: ground floor retail element assumes rental value of £18.5 per sq. ft and a yield of 6.5% based on review of the Knight Frank Yield guides (main and secondary) together with analysis of Co-Star property resource. Build costs assumed at £1,180/sq. m. based on BCIS 'shops generally' (median), rebased to Spelthorne. Total area of retail = 6,000 square feet (557.42 m ²).							
300	Flats (6+ Storey)	PDL	200	1.50	1.95	Zone 2 @ £51.32 Zone 3 @ £76.99	24

Notes:

The above scenarios tested at 0% (<10 units only), 30%, 40% on-site AH on sites of 10+ units. The appraisals have been completed in each case to the point at which a negative results is returned - we consider there to be no merit in extending testing beyond the points where there is a negative residual land value. Affordable Housing tenure split assumed at 75% Affordable Rented and 25% Intermediate based on the SHMA (2019) and as agreed with SBC - includes 25% First Homes (assuming 30% discount). 10% Low Cost / Affordable Home Ownership (AHO) of total overall requirements. The above assumes fully applied policy position - actual percentage will necessarily vary due to policy requirement.

Unit Sizes (sq. m)*	Private / Affordable
1-bed flat	50
2-bed flat	67
2-bed house	79
3-bed house	93
4-bed house	106 / 130 (Market)

***Note: Retirement/sheltered typology:**

1-beds @ 55 sq. m; 2-beds @ 75 sq. m (Note 25% communal area content within retirement/sheltered typology)

***Note: Extra care typology:**

60 units typology Comprised of a 3:2 ratio of 1-bed to 2-bed units (36 no. 1-b; 24 no. 2-b)

1-beds @ GIA 58.5 sq. m; 2-beds @ 76 sq. m (excluding communal areas - 35% communal area content).

*based on nationally described space standards

Dwelling mix principles based on the SHMA (2019) - for building up assumptions

No. Beds	Market Housing	Affordable Rent	Intermediate
1-beds	0-5%	35-40%	15-25%
2-beds	20-25%	25-30%	40-45%
3-beds	50-55%	25-30%	25-35%
4-beds	20-25%	5-10%	5-10%

Note: All subject to 'best fit scenario'. Intermediate mix adjusted across 1 and 2-beds only

Value Levels

Market Value (MV) - Private Units (only)	VL1	VL2	VL3	VL4	VL5	VL6	VL7	VL8	VL9
	< SBC lower-end values			SBC typical New Build Range				SBC upper-end new build values / high value property >	
1-bed flat	£225,000	£250,000	£262,500	£275,000	£287,500	£300,000	£312,500	£325,000	£350,000
2-bed flat	£301,500	£335,000	£351,750	£368,500	£385,250	£402,000	£418,750	£435,500	£469,000
2-bed house	£355,500	£395,000	£414,750	£434,500	£454,250	£474,000	£493,750	£513,500	£553,000
3-bed house	£418,500	£465,000	£488,250	£511,500	£534,750	£558,000	£581,250	£604,500	£651,000
4-bed house	£585,000	£650,000	£682,500	£715,000	£747,500	£780,000	£812,500	£845,000	£910,000
Value Levels £/sq. m.	£4,500	£5,000	£5,250	£5,500	£5,750	£6,000	£6,250	£6,500	£7,000

VL by Location (Ward Areas)

Ward Area	Indicative VL Range
Ashford Common	VL4 - VL8
Ashford East	VL4 - VL7
Ashford North and Stanwell South	VL3 - VL6
Ashford Town	VL3 - VL6
Halliford and Sunbury West	VL2 - VL5
Laleham and Shepperton Green	VL1 - VL3
Riverside and Laleham	VL1 - VL4
Shepperton Town	VL6 - VL9
Staines	VL5 - VL8
Staines South	VL1 - VL4
Stanwell North	VL1 - VL3
Sunbury Common	VL4 - VL8
Sunbury East	VL6 - VL9

AH Revenue Assumptions - Affordable Rent (only)

Unit	Blended LHA CAP <small>Based on the Walton BRMA</small>	Average AH Transfer Price
1-bed	£195.62	£160,254
2-bed	£253.15	£192,643
3-bed	£310.68	£254,517
4-bed	£407.34	£333,700

Note: Affordable Rents are capped at LHA - LHA rates are based on LHA from April 2022. As per guidance from SBC housing benefit team, we have used the single stated rate which applies across the whole borough (the Walton BRMA rate). The appraisal modelling assumes an average % of MV of 49% for the AR AH content. Shared Ownership assumed at 65% of market value.

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Spelthorpe Borough Council - Appendix I - Local Plan & potential CIL review Viability Assessment - Sheet B: Residential Site Allocations: Assumptions

Site ID	Site Name	Relevant Results Table	No. Units	Development Type	Site Type	Assumed Value Level	Gross Density dph	Site Area	Green Belt Y/N	Location	CIL Zone <i>Incl. Rate (£)</i>	Build Period (Months)	Contingency Allowance (%)
AT3/016	23-31 (not 11-19), Woodthorpe Road, Ashford	2a	120	Flats (3-5 Storey)	PDL - Urban	VL3 - VL6	500	0.24	N	Ashford	Zone 2 @ £51.32	24	10
ST3/004	34-36 (OAST House) /Car park, Kingston Road	2b	180	Flats (3-5 Storey)	PDL - Urban	VL5 - VL8	160	0.93	N	Staines	Zone 2 @ £51.32	29	10
AT3/007	Ashford multi-storey car park, Church Road	2c	55	Flats (3-5 Storey)	PDL - Urban	VL3 - VL6	204	0.27	N	Ashford	Zone 2 @ £51.32	19	10
AT3/009	Ashford Telephone Exchange, Church Road	2d	20	Flats (3-5 Storey)	PDL - Urban	VL3 - VL6	74	0.27	N	Ashford	Zone 2 @ £51.32	15	10
ST2/006	Builders Yard, Gresham Road	2e	343	Flats (3-5 Storey)	PDL - Urban	VL5 - VL8	150	1.37	N	Staines	Zone 2 @ £51.32	29	10
ST4/026	Communications House, South Street, Staines	2f	120	Flats (3-5 Storey)	PDL - Urban	VL5 - VL8	314	0.35	N	Staines	Zone 2 @ £51.32	23	10
AS1/011	Former Bulldog Nurseries site, Town Lane	2g	24	Flats (3-5 Storey)	Greenfield - Green Belt	VL3 - VL6	80	0.3	Y	Stanwell	Zone 1 @ £0	16	5
ST4/024	Frankie & Benny's/Travelodge, Two Rivers, Hale Street, Staines	2h	55	Flats (3-5 Storey)	PDL - Urban	VL5 - VL8	243	0.3	N	Staines	Zone 2 @ £51.32	19	10
ST1/028	Leacroft Centre, Leacroft	2i	17	Flats (3-5 Storey)	PDL - Urban	VL5 - VL8	106	0.16	N	Staines	Zone 2 @ £51.32	14	10
ST4/010	Riverside Surface Carpark, Thames Street	2j	35	Flats (3-5 Storey)	PDL - Urban	VL5 - VL8	480	0.25	N	Staines	Zone 2 @ £51.32	17	10
SC1/013	RMG Warehouse & Delivery Office, 47-79, Staines Road West	2k	22	Flats (3-5 Storey)	PDL - Urban	VL4 - VL8	88	0.25	N	Sunbury	Zone 3 @ £76.99	15	10
SH1/015	Shepperton Youth Centre, Laleham Road	2l	24	Flats (3-5 Storey)	PDL - Urban	VL6 - VL9	75	0.32	N	Shepperton	Zone 3 @ £76.99	15	10
AS1/003	Staines Fire Station, Town Lane	2m	50	Flats (3-5 Storey)	PDL - Urban	VL3 - VL6	156	0.32	N	Ashford	Zone 2 @ £51.32	19	10
ST3/012	Staines Telephone Exchange, Fairfield Avenue	2n	180	Flats (3-5 Storey)	PDL - Urban	VL5 - VL8	300	0.6	N	Staines	Zone 2 @ £51.32	26	10
SC1/019	Sunbury Social Services Centre, 108 Vicarage Road	2o	11	Flats (3-5 Storey)	PDL - Urban	VL4 - VL8	73	0.15	N	Sunbury	Zone 3 @ £76.99	13	10
SE1/008	Telephone Exchange, Green Street	2p	14	Flats (3-5 Storey)	PDL - Urban	VL6 - VL9	56	0.25	N	Sunbury	Zone 3 @ £76.99	14	10
ST4/011	Thames Lodge, Thames Street	2q	40	Flats (3-5 Storey)	PDL - Urban	VL5 - VL8	203	0.32	N	Staines	Zone 2 @ £51.32	18	11
ST1/031	Thameside Arts Centre, Wyatt Road	2r	19	Flats (3-5 Storey)	PDL - Urban	VL5 - VL8	76	0.25	N	Staines	Zone 2 @ £51.32	15	10
ST1/037	Thameside House, South Street	2s	140	Flats (3-5 Storey)	PDL - Urban	VL5 - VL8	609	0.23	N	Staines	Zone 2 @ £51.32	25	10
ST4/028	William Hill/Vodafone, 91, High Street, Staines	2t	14	Flats (3-5 Storey)	PDL - Urban	VL5 - VL8	140	0.1	N	Staines	Zone 2 @ £51.32	14	10

Site ID	Site Name	Relevant Results Table	No. Units	Development Type	Site Type	Assumed Value Level	Gross Density dph	Site Area	Green Belt Y/N	Location	CIL Zone <i>Incl. Rate (£)</i>	Build Period (Months)	Contingency Allowance (%)
ST1/030	Fairways Day Centre, Knowle Green	2u	30	Flats (3-5 Storey) + Retail GF	PDL - Urban	VL5 - VL8	48	0.63	N	Staines	Zone 2 @ £51.32	15	10
						Notes: ground floor retail element assumes rental value of £18.5 per sq. ft and a yield of 6% based on our experience of viability assessments at planning application stage in the borough and following review of the Knight Frank Yield guides (main and secondary) together with analysis of Co-Star property resource and local commercial lettings (taking into account the location of this particular site). Build costs assumed at £1,180/sq. m. based on BCIS 'shops generally' (median), rebased to Spelthorne. Total area of commercial/retail element assumed to be 3,500 square feet.							
SH2/003	Shepperton Delivery Office, 47, High Street	2v	20	Flats (3-5 Storey) + Retail GF	PDL - Urban	VL6 - VL9	125	0.16	N	Shepperton	Zone 3 @ £76.99	15	10
						Notes: ground floor retail element assumes rental value of £18.5 per sq. ft and a yield of 6% based on our experience of viability assessments at planning application stage in the borough and following review of the Knight Frank Yield guides (main and secondary) together with analysis of Co-Star property resource and local commercial lettings (taking into account the location of this particular site). Build costs assumed at £1,180/sq. m. based on BCIS 'shops generally' (median), rebased to Spelthorne. Total area of commercial/retail element assumed to be 2,000 square feet.							
SH1/010	Shepperton Library, High Street	2w	10	Flats (3-5 Storey) + Retail GF	PDL - Urban	VL6 - VL9	71	0.14	N	Shepperton	Zone 3 @ £76.99	14	10
						Notes: ground floor retail element assumes rental value of £18.5 per sq. ft and a yield of 6% based on our experience of viability assessments at planning application stage in the borough and following review of the Knight Frank Yield guides (main and secondary) together with analysis of Co-Star property resource and local commercial lettings (taking into account the location of this particular site). Build costs assumed at £1,180/sq. m. based on BCIS 'shops generally' (median), rebased to Spelthorne. Total area of commercial/retail element assumed to be 1,000 square feet.							
ST1/029	Surrey CC Buildings, Burges Way	2x	30	Flats (3-5 Storey) + Retail GF	PDL - Urban	VL5 - VL8	60	0.5	N	Staines	Zone 2 @ £51.32	15	10
						Notes: ground floor retail element assumes rental value of £20 per sq. ft and a yield of 6% based on our experience of viability assessments at planning application stage in the borough and following review of the Knight Frank Yield guides (main and secondary) together with analysis of Co-Star property resource and local commercial lettings (taking into account the location of this particular site). Build costs assumed at £1,180/sq. m. based on BCIS 'shops generally' (median), rebased to Spelthorne. Total area of commercial/retail element assumed to be 3,000 square feet.							

Site ID	Site Name	Relevant Results Table	No. Units	Development Type	Site Type	Assumed Value Level	Gross Density dph	Site Area	Green Belt Y/N	Location	CIL Zone <i>Incl. Rate (£)</i>	Build Period (Months)	Contingency Allowance (%)
SE1/024	Annandale House, 1, Hanworth Road	2y	295	Flats (6+ Storey)	PDL - Urban	VL6 - VL9	304	0.97	N	Sunbury	Zone 3 @ £76.99	29	15
ST3/014	Birch House/London Road, , Fairfield Avenue, Staines	2z	400	Flats (6+ Storey)	PDL - Urban	VL5 - VL8	417	1.2	N	Staines	Zone 2 @ £51.32	29	15
ST4/002	Car Park, Hanover House & Sea Cadet Building, Bridge Street	2aa	158	Flats (6+ Storey)	PDL - Urban	VL5 - VL8	244	0.9	N	Staines	Zone 2 @ £51.32	25	15
ST4/019	Former Debenhams site, 35-45, High Street	2ab	150	Flats (6+ Storey)	PDL - Urban	VL5 - VL8	781	0.32	N	Staines	Zone 2 @ £51.32	24	15
ST4/009	The Elmsleigh Centre and adjoining land, South Street	2ac	850	Flats (6+ Storey)	PDL - Urban	VL5 - VL8	41	6.15	N	Staines	Zone 2 @ £51.32	34	15
ST4/023	Two Rivers Retail Park Terrace, Mustard Mill Road, Staines	2ad	750	Flats (6+ Storey)	PDL - Urban	VL5 - VL8	300	2.5	N	Staines	Zone 2 @ £51.32	35	15
ST4/025	Land at Coppermill Road	2ae	15	Houses	Greenfield - Green Belt	VL5 - VL8	25	0.6	Y	Wraysbury	Zone 1 @ £0	14	5
SN1/005	Land at Northumberland Close	2af	80	Houses	Greenfield - Green Belt	VL1 - VL3	46	1.75	Y	Stanwell	Zone 1 @ £0	21	5
HS1/012	Land East of Upper Halliford, Nursery Road	2ag	60	Houses	Greenfield - Green Belt	VL2 - VL5	38	1.6	Y	Sunbury	Zone 3 @ £76.99	19	5
SN1/006	Land to the west of Long Lane and South of Blackburn Trading Estate	2ah	200	Houses	Greenfield - Green Belt	VL3 - VL6	28	5.31	Y	Stanwell	Zone 1 @ £0	25	5
SE1/020	Sunbury Adult Education Centre, The Avenue	2ai	24	Houses	PDL - Urban	VL6 - VL9	56	0.43	N	Sunbury	Zone 3 @ £76.99	16	10
AE3/006	158-166, Feltham Road	2aj	75	Mixed	PDL - Urban	VL4 - VL7	58	1.3	N	Ashford	Zone 2 @ £51.32	20	10
SE1/003	77, Staines Road East	2ak	75	Mixed	PDL - Urban	VL6 - VL9	100	0.75	N	Sunbury	Zone 3 @ £76.99	20	10
ST4/004	96-104, Church Street	2al	100	Mixed	PDL - Urban	VL5 - VL8	112	0.89	N	Staines	Zone 2 @ £51.32	21	10
AT1/002	Ashford Sports Club, Woodthorpe Road	2am	108	Mixed	Greenfield - Green Belt	VL3 - VL6	39	2.8	Y	Ashford	Zone 2 @ £51.32	22	5
HS1/009	Bugle Nurseries, 171, Upper Halliford Road	2an	79	Mixed	Green Belt/ mixed	VL2 - VL5	56	1.4	Y	Upper Halliford	Zone 3 @ £76.99	20	5
HS1/002	Land at Croysdale Avenue	2ao	67	Mixed	Greenfield - Green Belt	VL2 - VL5	39	1.72	Y	Sunbury	Zone 3 @ £76.99	20	5
RL1/011	Land at Staines and Laleham Sports Club, Worple Road	2ap	52	Mixed	Green Belt/ mixed	VL1 - VL4	33	1.6	Y	Staines	Zone 2 @ £51.32	18	5
LS1/024	Land at Staines Road West and Cedar Way (east of Spelthorne sports club)	2aq	77	Mixed	Greenfield - Green Belt	VL1 - VL3	48	1.62	Y	Sunbury	Zone 3 @ £76.99	20	5
HS2/004	Land South of Nursery Road	2ar	41	Mixed	Greenfield - Green Belt	VL2 - VL5	61	0.67	Y	Sunbury	Zone 3 @ £76.99	18	5

Notes:

The above scenarios tested at 0%, 30%, 40% on-site AH on sites of 10+ units. The appraisals have been completed in each case to the point at which a negative result is returned - we consider there to be no merit in extending testing beyond the points where there is a negative residual land value. Affordable Housing tenure split assumed at 75% Affordable Rented and 25% Intermediate (including First Homes) based on the SHMA (2019) and as agreed with SBC. 10% Low Cost / Affordable Home Ownership (AHO) of total overall requirements. The above assumes fully applied policy position - actual percentage will necessarily vary due to policy requirement.

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Spelthorne Borough Council - Appendix I - Local Plan & potential CIL review Viability Assessment - Sheet C: Residential Assumptions (2)

Development / Policy Costs	Spelthorne BC	Notes / Variances
RESIDENTIAL BUILDING, MARKETING & S106 COSTS		
		BCIS (5yr Period) figures are exclusive of external works
Build Costs Mixed Developments - generally (£/sq. m) ¹	£1,478	
Build Costs Estate Housing - generally (£/sq. m) ¹	£1,444	
Build Costs Flats - generally (£/sq. m) ¹	£1,617	
Build Costs Flats - 3-5 Storey (£/sq. m) ¹	£1,612	
Build Costs Flats - 6+ Storey (£/sq. m) ¹	£1,877	
Build Costs (Supported Housing - Generally) (£/sq.m) ¹	£1,770	Sheltered and Extra Care scenarios only
External Works	10% (Flats) 15% (Houses)	Added to build costs
Site Works	£500,000/net developable ha	Bespoke costs assumed where applicable for specific site testing
Contingencies (% of build cost)	3-10%	
Professional & Other Fees (% of build costs)	8-10%	
Sustainable Design / Construction Standards (% of build cost)	2.13% (Flats) 4.4% (Houses)	Represents meeting the enhanced sustainability requiring 31% carbon reduction in line with the interim uplift to Building Regulations on route to the forthcoming new Future Homes Standard. Sensitivity Test - full FHS 2025 representing 75% carbon reduction.
Electric Vehicle Charging Points (£ per unit) ²	£865/unit (houses) £1,961 (flats)	Houses only typologies - assumes 1x EVCP per dwelling Flats typologies - assumes 1x EVCP per dwelling Mixed (Houses/Flats) typologies - cost weighted by dwelling mix, assumes 1x EVCP per dwelling
Biodiversity Net Gain (BNG) (% of build cost)	3.84% (Greenfield) 0.8% (PDL)	Assuming 10% minimum requirements , variable by site type. Costs based on Impact Assessment (Scenario C) plus uplift for latest information. Sensitivity Test at 20% - assumes 4.56% (Greenfield) and 0.95% (PDL) (increases cost by +19%).
Adopted CIL rates (indexed only)	Tested at current Indexed CIL Rates only	Indexed CIL rates: £0 (Zone 1), £51.32 (Zone 2) and £76.99 (Zone 3) on schemes of >15 dwellings in accordance with Regulation 40 of the CIL Regulations.
Water Efficiency Standards	110 litres per person per day	
Access Potential Building Regs M4 (2) Compliance (£ per unit)	£1,646 (Flats) £2,447 (Houses)	per unit - tested at 100% of total units (90% of total units when combined with 10% M4(3) below).
Access Potential Building Regs M4 (3) Compliance (£ per unit)	£15,691 (Flats) £26,816 (Houses)	per unit - tested at 10% of total units. Sensitivity Test (only) - at 5% with commensurate increase in M4(2).
Residual s.106 /non-CIL costs (£ per unit) (to include SAMM contribution)	£3,000	In addition to indexed CIL rates applied
Marketing & Sales Costs (% of GDV)	3%	
Legal Fees on sale (£ per unit)	£750	
DEVELOPER'S RETURN FOR RISK AND PROFIT		
Open Market Housing Profit (% of GDV)	15% - 20%	DSP assumed testing at mid-point of range at 17.5%. First Homes at 12%.
Affordable Housing Profit (% of GDV)	6%	
FINANCE & ACQUISITION COSTS		
Agents Fees (% of site value)	1.50%	
Legal Fees (% of site value)	0.75%	
Stamp Duty Land Tax (% of site value)	0% to 5%	HMRC scale
Finance Rate - Build (%)	6.5%	
Finance Rate - Land (%)	6.5%	

¹ Build cost taken as "Median" figure from BCIS for that build type unless otherwise stated - e.g. flats ; houses storey heights etc. and then rounded. Median figure gives a better figure than the Mean as it is not so influenced by rogue figures that can distort the mean on small sample sizes. The BCIS figure for Lewes has been used and averaged across the area. External added separately at 10-15%. Site works added separately.

² Costs adopted from the DfT Residential Charging Infrastructure Provision Impact Assessment (September 2021) and requirements as set out in the Surrey County Council's Vehicular and Cycle Parking Guidance (January 2018)

Spelthorne Borough Council - Appendix I - Local Plan & potential CIL review Viability Assessment - Sheet D: Residential Assumptions - Purpose Students Housing Accommodation & Care Home Typologies

Use Class / Type	Example Scheme Type	GIA (m ²)	Site Coverage	Site Size (ha)	Build Period (Months)*	Value Range - Annual Rents £ per sq m			Build Cost (£ per sq m)**	External works cost addition (%)	Total Build Cost (£/sqm excl fees etc)	Notes:
						Low	Mid	High				
Student Accommodation	100% Cluster type accommodation with ensuite (400 rooms)	7384	60%	1.23	24	£140	£180	£220	£2,087	5%	£2,191	BCIS - Student Accommodation
						Weekly room rents						
Student Accommodation	100% Studio type accommodation (150 rooms)	6250	60%	1.04	18	£200	£250	£300	£2,087	5%	£2,191	BCIS - Student Accommodation
						Weekly room rents						
C2 - Residential Institution	Nursing Home (65-Beds)	2000	60%	0.33	16	£250	£310	£370	£1,878	15%	£2,160	BCIS - Care Homes for the Elderly - generally

Development Costs	
Sustainability Allowance / other enhancements addition contingency (% of cost)	5%
Professional Fees (% of cost)	10%
Contingency (% of cost)	5%
Planning / Building Regs etc / insurances (% of cost)	2.0%
Site Survey / preparation costs / S106	Variable
Potential CIL - trial rates testing	At £25/m ² intervals up to £300/m ² including indexed rates for Student Accommodation (only)
Finance Costs	
Finance rate p.a (including over lead-in and letting / sales period)	6.5%
Marketing Costs	
Advertising Fees (% of annual income)	1%
Letting Fees (% of annual income)	10%
Purchaser's costs	5.75%
Developer Profit (% of GDV)	15%
Yields	Variable applicability - sensitivity tested across range at 5.0% to 7.0%
Site Acquisition Costs	
Agents Fees (% of site value)	1.50%
Legal Fees (% of site value)	0.75%
Stamp Duty (% of value - HMRC scale)	0 to 5%

*BCIS Construction Duration Calculator

**BCIS Median - Location Factor for Spelthorne

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Spelthorne Borough Council - Appendix I - Local Plan & potential CIL review Viability Assessment - Sheet E: Commercial Assumptions

Use Class / Type	Example Scheme Type	GIA (m ²)	Site Coverage	Site Size (ha)	Build Period (Months)*	Value Range - Annual Rents £ per sq m			Build Cost (£ per sq m)**	External works cost addition (%)	Total Build Cost (£/sqm excl fees etc)	Notes:
						Low	Mid	High				
Large Retail	Large Supermarket - out of town	1500	35%	0.43	18	£225	£250	£275	£1,551	15%	£1,784	BCIS - Hypermarkets / Supermarkets - generally.
Large Retail	Retail Warehouse	1000	40%	0.25	7	£240	£290	£340	£893	15%	£1,027	BCIS - Retail warehouses - up to 1,000 sq. m.
Town Centre Retail	Comparison shops (general/non-shopping centre)	200	60%	0.03	6	£150	£200	£250	£1,180	50%	£1,770	BCIS - Shops - Generally.
Small Retail	Convenience Store - various locations	300	75%	0.04	6	£110	£130	£150	£1,180	15%	£1,357	BCIS - Shops - Generally.
Business - Offices - Town Centre	Office Building	500	200%	0.03	12	£125	£175	£225	£2,055	15%	£2,363	BCIS - Offices - 3-5 Storey; airconditioned.
Business - Offices - Out of town centre / Business Park	Office Building	1000	40%	0.25	12	£200	£250	£300	£1,880	15%	£2,162	BCIS - Offices - 1-2 Storey; airconditioned.
Business - Industrial / Warehousing	Smaller / Move-on type industrial unit including offices - industrial estate	500	40%	0.13	6	£80	£110	£130	£1,252	15%	£1,440	BCIS - Advance factories / offices - mixed facilities (B1) - generally.
Business - Industrial / Warehousing	Larger industrial / warehousing unit including offices - industrial estate	2500	40%	0.63	12	£90	£115	£130	£858	15%	£987	BCIS - Advance factories / offices - mixed facilities (B1) - >2000
Business - Industrial / Warehousing	Distribution	8000	40%	2.00	18	£80	£100	£120	£858	15%	£987	BCIS - Advance factories / offices - mixed facilities (B1) - >2000
Hotel (budget)***	Hotel - edge of town centre / edge of town (60-Beds)	2100	50%	0.42	18	£4,500	£5,500	£6,500	£2,186	15%	£2,514	BCIS - Hotels
						Annual Room Rents						

Development Costs	
Sustainability Allowance / other enhancements addition contingency (% of cost)	5%
Professional Fees (% of cost)	10%
Contingency (% of cost)	5%
Planning / Building Regs etc / insurances (% of cost)	2.0%
Site Survey / preparation costs / S106	Variable
Potential CIL - trial rates testing	<i>At £25/m2 intervals up to £300/m2 including indexed rates for retail</i>
Finance Costs	
Finance rate p.a (including over lead-in and letting / sales period)	6.5%
Marketing Costs	
Advertising Fees (% of annual income)	1%
Letting Fees (% of annual income)	10%
Purchaser's costs	5.75%
Developer Profit (% of GDV)	15%
Yields	Variable applicability - sensitivity tested across range at 5.0% to 7.0%
Site Acquisition Costs	
Agents Fees (% of site value)	1.50%
Legal Fees (% of site value)	0.75%
Stamp Duty (% of value - HMRC scale)	0 to 5%

*BCIS Construction Duration Calculator
 **BCIS Median - Location Factor for Spelthorne